

HOUSE BILL 2114

By Hawk

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 4, Part 7; Title 49, Chapter 4, Part 9 and Title 49, Chapter 8, Part 1, relative to higher education.

WHEREAS, Governor Bill Haslam has set the goal of making Tennessee the number one location in the southeast for high-quality jobs; and

WHEREAS, attracting high-quality jobs requires a workforce that is equipped with knowledge and skills provided through postsecondary education; and

WHEREAS, Governor Haslam and members of the General Assembly hear consistently from Tennessee employers that the demand for skilled workers exceeds the supply; and

WHEREAS, recognizing these realities, Governor Haslam launched the Drive to 55 initiative in 2013 to increase higher education attainment among Tennesseans to fifty-five percent (55%) by 2025; and

WHEREAS, these postsecondary credentials need to be fully aligned with emerging workforce demand, which will require collaboration across education and workforce agencies at the state, regional, and local levels; and

WHEREAS, with the support of the General Assembly, the Drive to 55 initiative has created more opportunities for more Tennesseans through groundbreaking programs like Tennessee Promise and Tennessee Reconnect; and

WHEREAS, with the support of the General Assembly, Tennesseans can access community or technical college tuition-free; and

WHEREAS, since the implementation of Tennessee Promise, more Tennessee students are going to college than ever before; and

WHEREAS, the six-year graduation rate in Tennessee is currently twenty-six percent (26%) for community colleges and fifty-seven percent (57%) for four-year institutions; and

WHEREAS, Tennessee's postsecondary institutions should advise students on their path to on-time completion; and

WHEREAS, the future economic success of Tennessee and the resulting improved livelihood of Tennesseans depend on reaching at least 55 percent higher education attainment by 2025 to keep pace with projections of the percentage of Tennessee jobs that will require a postsecondary credential or degree; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act shall be known and may be cited as the "Complete College Tennessee Act."

SECTION 2. Tennessee Code Annotated, Section 49-4-708(b)(5), is amended by deleting the first sentence of the subdivision in its entirety and substituting instead the following:

"Full-time student" means a student who is enrolled in a minimum of twelve (12) semester hours in the fall or spring semester, or a student who is enrolled in a full-time program at a Tennessee college of applied technology.

SECTION 3. Tennessee Code Annotated, Section 49-4-708(b), is amended by adding the following language as new, appropriately designated subdivisions:

() "Completed" for purposes of determining a Tennessee Promise scholarship award amount means any hours awarded to a student by a postsecondary institution upon finishing an academic course and receiving a grade, or hours awarded through early postsecondary opportunities;

() "Early postsecondary opportunities" has the same meaning as defined in § 49-4-902;

() "Part-time student" has the same meaning as defined in § 49-4-902;

() "Three-consecutive-semester period" has the same meaning as defined in § 49-4-902;

SECTION 4. Tennessee Code Annotated, Section 49-4-708(c), is amended by deleting subdivision (5) in its entirety and substituting instead the following:

(5)

(A) A Tennessee Promise scholarship at a Tennessee public two-year postsecondary institution or Tennessee college of applied technology shall be the cost of tuition and mandatory fees at the eligible postsecondary institution attended less all other gift aid. Gift aid shall be credited first to the student's tuition and mandatory fees;

(B) Notwithstanding subdivision (c)(5)(A), the amount of the Tennessee Promise scholarship at an eligible four-year public postsecondary institution or an eligible private institution shall be the average cost of tuition and mandatory fees at the public two-year postsecondary institutions less all other gift aid. Gift aid shall be credited first to the average tuition and mandatory fees;

SECTION 5. Tennessee Code Annotated, Section 49-4-708(c), is amended by deleting subdivision (6) in its entirety and substituting instead the following:

(6) Notwithstanding subdivisions (c)(5)(A) and (B), to continue to receive the maximum Tennessee Promise scholarship award at an eligible two-year or four-year institution, a student must have completed at least thirty (30) hours within three (3) consecutive semesters, beginning with the student's semester of initial enrollment. The maximum award for a student who has not completed at least thirty (30) hours within three (3) consecutive semesters, beginning with the student's semester of initial enrollment, shall thereafter be reduced by two hundred fifty dollars (\$250) per semester, unless the student's award is less than two hundred fifty dollars (\$250), in which case it shall be for that lesser amount; provided, that a student's award shall only be reduced during the first two (2) semesters of the following three-consecutive-semester period;

SECTION 6. Tennessee Code Annotated, Section 49-4-708(c)(9)(A), is amended by deleting the subdivision in its entirety and substituting instead the following:

(A) To be eligible for a Tennessee Promise scholarship, a student shall maintain continuous enrollment as a full-time student in each fall and spring semester while receiving the scholarship. A student may receive a scholarship in a summer semester if enrolled at least as a part-time student;

SECTION 7. Tennessee Code Annotated, Section 49-4-708(c)(10), is amended by deleting the word "and" at the end of the subdivision.

SECTION 8. Tennessee Code Annotated, Section 49-4-708(c)(11), is amended by deleting the subdivision in its entirety and substituting instead the following:

(11) A student with a documented learning disability or a student who is enrolled in fewer than twelve (12) semester hours as required by the academic program shall be exempt from the thirty-completed-hour requirement established in subdivision (c)(6); and

(12) TSAC is authorized to promulgate rules to establish deadlines for applications and appeal procedures for the denial, revocation, or reduction of the scholarship, to address the use of early postsecondary opportunities for credit towards completed hour requirements, and to otherwise effectuate the purposes of this part. The rules shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 9. Tennessee Code Annotated, Section 49-4-902(2)(A), is amended by deleting the word "consecutive".

SECTION 10. Tennessee Code Annotated, Section 49-4-902, is amended by adding the following language as new, appropriately designated subdivisions:

() "Completed" means, for purposes of determining a Tennessee HOPE scholarship award amount, any hours awarded to a student by a postsecondary

institution upon finishing an academic course and receiving a grade, or hours awarded through early postsecondary opportunities;

() "Early postsecondary opportunities" means a course or exam aligned to postsecondary standards that gives students an opportunity to obtain postsecondary credit while enrolled in high school or a Tennessee home school program. Such courses may include Advanced Placement, Cambridge, International Baccalaureate, dual credit, dual enrollment, college level examination program, or industry certification;

() "Three-consecutive-semester period" means three (3) semesters in a twelve-month period beginning in the semester of initial enrollment, or the equivalent if the institution is on a system other than a semester system, and excluding semesters in which a student qualifies for an approved leave of absence;

SECTION 11. Tennessee Code Annotated, Section 49-4-911(a), is amended by deleting the subsection in its entirety and substituting instead the following:

(a)

(1) To continue to receive a Tennessee HOPE scholarship, a student at an eligible postsecondary institution shall reapply for the scholarship pursuant to TSAC rules, and shall meet all applicable nonacademic requirements under §§ 49-4-904 and 49-4-905. At the end of the first and second three-consecutive-semester periods, the student must have achieved a cumulative grade point average of at least 2.75 to continue to receive the Tennessee HOPE scholarship. At the end of any subsequent three-consecutive-semester period, a student must achieve a cumulative grade point average of at least 3.0 to continue to receive the Tennessee HOPE scholarship.

(2) Notwithstanding subdivision (a)(1), a student who fails to achieve a cumulative grade point average of at least 3.0 when continuing eligibility is

reviewed at the end of the third or any subsequent three-consecutive-semester periods under subdivision (a)(1), but who has a cumulative grade point average of at least 2.75 and a semester grade point average of at least 3.0 for the semester in which continuing eligibility under subdivision (a)(1) was reviewed, shall be eligible to continue to receive a Tennessee HOPE scholarship for one (1) additional semester; provided, that the student enrolls full-time in that semester and the student is still eligible for a scholarship under § 49-4-913. Subsequently, the student shall be eligible to receive the scholarship if the student maintains both full-time and continuous enrollment, a cumulative grade point average of at least 2.75, and a grade point average of at least 3.0 in the last semester in which the student attended full-time. If, however, the student achieves a cumulative grade point average of at least 3.0 at any time when continuing eligibility is reviewed under subdivision (a)(1), then the student's continuing eligibility for a Tennessee HOPE scholarship shall be reviewed under subdivision (a)(1).

SECTION 12. Tennessee Code Annotated, Section 49-4-911(b), is amended by deleting from the last sentence of the subsection the word "attempted" and substituting instead the word "completed".

SECTION 13. Tennessee Code Annotated, Section 49-4-912(b), is amended by deleting the subsection in its entirety and substituting instead the following:

(b) Tennessee HOPE scholarship students may enroll as full-time students or part-time students at an eligible postsecondary institution. A student who enrolls as a full-time student at the beginning of a semester may not drop to part-time status in that semester, unless the student requests, and the institution approves, part-time status based on documented medical or personal grounds. TSAC shall promulgate rules

regarding attendance as a part-time student, payment of awards to part-time students, change from full-time to part-time and from part-time to less than part-time status based on documented medical or personal grounds, the grounds for which such change in enrollment status may be granted, the revocation or reduction of the scholarship, and the use of early postsecondary opportunities for credit towards semester hour requirements. The rules shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 14. Tennessee Code Annotated, Section 49-4-914, is amended by adding the following language as a new subsection (d) and redesignating the current subsection (d) and remaining subsections accordingly:

(d)

(1) Notwithstanding subsections (a), (b), and (c), to continue to receive the maximum Tennessee HOPE scholarship award at an eligible two-year or four-year postsecondary institution, a student must have completed at least thirty (30) hours within a three-consecutive-semester period beginning with the student's semester of initial enrollment. The award amount for a student who has not completed at least thirty (30) hours within any three-consecutive-semester period shall thereafter be reduced by an amount of two hundred fifty dollars (\$250) per semester, unless the student's award is less than two hundred fifty dollars (\$250) in which case it shall be for that lesser amount; provided, that a student's award shall only be reduced during the first two (2) semesters of a three-consecutive-semester period. A student's full award shall be restored in the first semester following the three-consecutive-semester period in which the student has completed the hours needed to meet the requirements described in § 49-4-911.

(2) Notwithstanding subdivision (d)(1), the Tennessee HOPE scholarship for a student who also qualifies for the Tennessee Promise scholarship, as described in § 49-4-708, shall not be reduced for failure to meet the thirty-hour requirement described in subdivision (d)(1).

SECTION 15. Tennessee Code Annotated, Section 49-4-920(b)(1), is amended by deleting the subdivision in its entirety and substituting instead the following:

(b)

(1) A Tennessee HOPE access grant shall be awarded to an eligible student only until the end of the semester in which the student has attempted a total of at least thirty (30) hours. A student who is eligible for a Tennessee HOPE scholarship shall be ineligible for a Tennessee HOPE access grant.

SECTION 16. Tennessee Code Annotated, Section 49-4-920, is amended by deleting subsections (d) and (e) in their entireties and substituting instead the following:

(d) Subject to the amounts appropriated by the general assembly and any law relating to a shortfall in funds available for postsecondary assistance from the net proceeds of the state lottery, a Tennessee HOPE access grant shall be fifty percent (50%) of the combined award of the ASPIRE award under § 49-4-915 and the Tennessee HOPE scholarship awarded under § 49-4-914, not including the reduction of the award pursuant to § 49-4-914(d), that is applicable to Tennessee HOPE scholarship recipients at the eligible postsecondary institution at which the Tennessee HOPE access grant recipient is enrolled.

(e)

(1) TSAC shall review a student's eligibility when the student has attempted at least thirty (30) hours. If a student receiving a Tennessee HOPE access grant has achieved a cumulative grade point average of at least 2.75

after having attempted at least thirty (30) hours, then the student shall be eligible for a Tennessee HOPE scholarship. If the student meets the requirements of § 49-4-915(a)(2), the student shall be eligible for an ASPIRE award.

(2) If a student receiving a Tennessee HOPE access grant does not achieve a cumulative grade point average of at least 2.75 upon having attempted at least thirty (30) hours, but the student, without financial assistance from lottery proceeds, continues to attend an eligible postsecondary institution and meets the requirements in which continuing eligibility is reviewed under § 49-4-911(a)(1) or (a)(2), then the student shall be eligible for a Tennessee HOPE scholarship if the student meets all other applicable requirements. If, at that time, the student meets the requirements of § 49-4-915(a)(2), the student shall be eligible for an ASPIRE award.

SECTION 17. Tennessee Code Annotated, Section 49-4-929(c), is amended by deleting subdivisions (1) and (2) in their entirety and substituting instead the following:

(1) Section 49-4-911(a)(1) and the student transfers before having completed sixty (60) hours; or

(2) Section 49-4-911(a)(1) or (a)(2) and the student transfers after having completed sixty (60) or more hours.

SECTION 18. Tennessee Code Annotated, Section 49-4-931(b), is amended by deleting the subsection in its entirety and substituting instead the following:

(b) A nontraditional student shall be eligible for the award of a Tennessee HOPE scholarship at the end of the semester in which the student has attempted a total of twelve (12) semester hours if the student has a cumulative grade point average of at least 2.75. A nontraditional student who does not achieve a cumulative grade point average of at least 2.75 at the end of the semester in which the student has attempted a

total of twelve (12) semester hours shall be eligible for a Tennessee HOPE scholarship if the student meets the requirements at the end of any three-consecutive-semester period when eligibility for the scholarship is reviewed under § 49-4-911(a)(1) or (a)(2). For purposes of this section, the first three-consecutive-semester period for a nontraditional student shall begin with the first semester in which the HOPE scholarship is received.

SECTION 19. Tennessee Code Annotated, Section 49-4-944(b)(1), is amended by deleting the word "consecutive".

SECTION 20. Tennessee Code Annotated, Section 49-8-101(c), is amended by deleting the subsection in its entirety and substituting instead the following:

(c)

(1) Notwithstanding any law to the contrary, the board of regents shall manage the institutions identified in subdivision (a)(3)(A), to be collectively known as the "college system of Tennessee", a comprehensive statewide system with coordinated programs and services focused on increasing the number of Tennesseans with postsecondary credentials aligned to state workforce needs.

(2) It is the legislative intent that the college system of Tennessee operate as a unified system with individual campuses, teaching centers, and teaching sites as necessary to maximize the effectiveness of the system in enhancing student success and increasing the number of postsecondary credentials held by Tennesseans.

(3) In order to carry out this subsection (c), the chancellor of the board of regents shall submit a plan to the Tennessee higher education commission, the education committee of the senate, and the education administration and planning committee of the house of representatives no later than October 31,

2018. This plan shall detail the steps to transition to a college system of Tennessee to be centrally managed as one unified and aligned system.

(4) As part of this plan, the chancellor of the board of regents shall identify and implement appropriate system-wide management strategies and efficiencies to address the postsecondary and workforce development needs of the state. These efficiencies should include the consolidation of services among institutions and standardization of processes between institutions in order to improve effectiveness in all functional areas.

(5) The plan shall also incorporate the timeline and process for implementing structured scheduling and cohort programming at each of the institutions identified in subdivision (a)(3)(A) to ensure that all incoming full-time students can complete the general education core utilizing a schedule that reduces the need for individual course registration and provides a structured and comprehensive sequence of courses that, when taken in order, result in on-time academic completion and credential attainment.

(6) The college system of Tennessee's operation as a unified and aligned system in accordance with this subsection (c) and the directives of subdivisions (c)(2), (4), and (5) in furtherance of the transition to such operation shall be fully implemented no later than July 1, 2019.

(7) The chancellor of the board of regents shall submit a report to the Tennessee higher education commission, the education committee of the senate, and the education administration and planning committee of the house of representatives no later than July 1, 2020, outlining the completed implementation of structured scheduling and cohort programming at each of the institutions identified in subdivision (a)(3)(A) pursuant to subdivision (c)(5).

SECTION 21. For purposes of promulgating rules, sections 1 through 19 of this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, sections 1 through 19 shall take effect August 1, 2019, and shall apply to students enrolling in their initial semester in the fall semester of 2019 or thereafter, the public welfare requiring it. All other sections of this act shall take effect upon becoming a law, the public welfare requiring it.